factors including level of regional development, development of infrastructure in the State including Roads & Transport, Credit absorption capacity and initiatives of entrepreneurs etc.

Impact of Foreign Investment on Indigenous Industry

2697. SHRI NANA DESHMUKH : Will the Minister of FINANCE be pleased to state :

(a) whether in World Economic Forum held recently in Davos, he has told that barring core areas such as defence, Government will free foriegn investment from controls and push ahead with economic reforms process ;

(b) whether it is also a fact that foreign investment is proving detrimental to indigenous industry producing day-to-day usable items; and

(c) if so, what steps are being taken by Government to save such indigenous industries and ward off a situation arising alike East India Company?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALA SAHEB VIKHE PATIL) : (a) During the 30th Annual Meeting of the World Economic Forum 2000, Finance Minister reinforced the Government's commitment to the ongoing economic reforms and initiatives. He also pointed out that globalization can lead to destabilization of economy and there was a need to follow the right domestic sector policy, especially in financial sector and manage external debt prudently.

(b) No, Sir.

(c) Does not arise.

Banks and Financial Institutions into Insurance Sector

2698. SHRI AMAR SINGH : Will the Minister of FINANCE be pleased to State :

(a) whether it is a fact that some Banks and Financial Institutions have approached the Insurance Regulatory and Development Authority for its intervention in facilitating their foray into Insurance Sector ;

(b) if so, the details thereof including the names of such banks and Financial Institutions; and

(c) whether RBI has formulated any guidelines for eligibility to enter this Sector and if so, the details thereof ?